

FCR 1

Office of the President
April 28, 2023

Members, Board of Trustees:

GRANT COMMITMENT FROM THE LIGHTHOUSE BEACON FOUNDATION AND
THE COMMONWEALTH OF KENTUCKY RESEARCH CHALLENGE TRUST FUND
AND ENDOWMENT MATCH PROGRAM

Recommendation: that the Board of Trustees accept a charitable grant commitment of \$23,250,000 from the Lighthouse Beacon Foundation of Wilmington, Delaware (the “Donor”) to support the University of Kentucky College of Engineering and submit \$7,916,667 of this grant commitment for matching funds from the Commonwealth of Kentucky Research Challenge Trust Fund (“RCTF”) and Endowment Match Program. Further, pursuant to guidelines approved by the Council on Postsecondary Education, that the Board of Trustees acknowledges its responsibility for UK’s participation in and implementation of the RCTF program and for providing oversight of all university endowment funds.

Background: The 2022 General Assembly of the Commonwealth of Kentucky approved a sixth round of funding for the Research Challenge Trust Fund. State matching funds are available only for new gift commitments made after July 1, 2022. UK will receive \$20,000,000 in matching funds that must be designated for endowments specifically supporting initiatives in the fields of science, technology, engineering, mathematics and health (i.e., STEM+H). Furthermore, the endowments are to support research activities that stimulate business development, increase externally sponsored research, create better jobs and a higher standard of living, and facilitate Kentucky’s transition to a knowledge-based economy. The RCTF provides a dollar-for-dollar match at a minimum. UK will use the RCTF to match at a 2:1 ratio. As a result, UK will leverage \$20,000,000 into \$60,000,000.

The Lighthouse Beacon Foundation was created by Karen Congdon Pigman and L. Stanley Pigman in 2021. A native of Knott County, Kentucky, Mr. Pigman earned a bachelor’s degree in mining engineering from the College of Engineering (the “College”) in 1981. He has had a successful career in the energy industry. For his career achievements and commitment to community service and his alma mater, he was inducted into the College of Engineering Hall of Distinction in 2009. Mr. and Mrs. Pigman are long-time supporters of the university and especially the College of Engineering.

The Donor is making this grant commitment to advance the excellence and prominence of the College by establishing and/or amplifying its support for the following funds in the College: the “Lessons at UK Program Fund,” “Stanley and Karen Pigman College of

